

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 7902

BILL NUMBER: SB 533

NOTE PREPARED: Jan 24, 2003

BILL AMENDED:

SUBJECT: Confined feeding operations.

FIRST AUTHOR: Sen. Jackman

BILL STATUS: As Introduced

FIRST SPONSOR:

FUNDS AFFECTED: **X GENERAL**
 X DEDICATED
 FEDERAL

IMPACT: State

Summary of Legislation: This bill establishes National Pollutant Discharge Elimination System permit procedures for concentrated animal feeding operations.

Effective Date: Upon passage.

Explanation of State Expenditures: The proposal specifies that an operation may become subject to an NPDES permit, general or individual, under certain circumstances. IDEM currently operates a confined feeding operation approval system under state statute. There should not be a significant difference in resources required between administering an NPDES permit program for some CAFOs relative to the existing state statutory confined feeding operation approval system and the propoosal. An administrative rule is currently under development to establish a National Pollutant Discharge Elimination System (NPDES) general permit for federally-defined concentrated animal feeding operations.

Explanation of State Revenues: The proposal specifies that a \$100 fee shall be submitted with a notice of intent for a concentrated animal feeding operation NPDES general permit. The \$100 fee would apply to approximately 450 farms, generating an estimated \$45,000 for the five-year permit.

The proposal also specifies that a \$100 fee must be submitted for an individual NPDES permit for concentrated animal feeding operation for an initial application, renewal, modification, or variance. An estimated 8 - 10 farms would apply for an initial permit per year, generating an estimated \$800 - \$1,000 per year. The number of modification and variance requests that will be submitted is unknown.

Total increase in revenue is estimated at \$46,000 for the first year with approximately \$1,000 for the subsequent four years. Revenue generated by the fees would be deposited into the Environmental Management Permit Operation Fund, a dedicated fund used for permitting and related activities.

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: IDEM

Local Agencies Affected:

Information Sources: IDEM

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